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**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCE AND CORPORATE SECURITIES  
MORTGAGE LENDING SECTION**

**BEFORE THE DIRECTOR OF THE DEPARTMENT  
OF CONSUMER AND BUSINESS SERVICES**

**In the Matter of:**

**Virtua Funding, LLC  
NMLS# 1015993**

Respondent.

**M-13-0183  
FINAL ORDER TO CEASE AND DESIST,  
ORDER ASSESSING CIVIL PENALTIES,  
AND  
CONSENT TO ENTRY OF ORDER**

**WHEREAS** the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter “the Director”) conducted an investigation of Virtua Funding, LLC (hereinafter Virtua”) and determined that Virtua engaged in activities constituting a violation of ORS 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010 (hereinafter collectively cited as the “Oregon Mortgage Lender Law”); and

**WHEREAS** Virtua wishes to resolve and settle this matter with the Director,

**NOW THEREFORE**, as evidenced by the authorized signature subscribed on this order, Virtua hereby **CONSENTS** to entry of this order upon the Director’s Findings of Fact and Conclusions of Law as stated hereinafter:

**FINDINGS OF FACT**

The Director **FINDS** that:

1. Virtua is a Utah Limited Liability Company with a principal place of business located at 488 E Winchester, Ste 210, Salt Lake City, Utah 84107.
2. Virtua received an Oregon mortgage banker/broker license from the Oregon Division of Finance and Corporate Securities (hereinafter “Division”) on April 11, 2013, NMLS# 1015993.
3. In 2011, the Nationwide Mortgage Licensing System (hereinafter “NMLS”) released

Division of Finance and Corporate Securities  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387





1 the mortgage call report (hereinafter “MCR”) functionality. The MCR includes a licensed  
2 mortgage broker’s Residential Mortgage Loan Activity (hereinafter “RMLA”) that is compiled  
3 and submitted by the company to NMLS on a quarterly basis.

4 4. The quarterly reports are due 45 days following the end of each quarter such that the  
5 2013 second quarter (hereinafter “Q2”) MCR was due August 14, 2013.

6 5. Virtua employed at least one licensed loan originator during the Q2 of 2013.

7 6. Since Virtua had not filed the 2013 Q2 MCR with Oregon RMLA, on August 1, 2013,  
8 the Division sent an e-mail to Virtua’s e-mail address of record in NMLS notifying of the Q2  
9 requirement and the upcoming August 14, 2013 deadline.

10 7. All emails were sent to dbeck@fnfe.com which has been the e-mail address of record  
11 in NMLS for Virtua at all times relevant to this order.

12 8. Since Virtua had still not filed the 2013 Q2 MCR , on August 15, 2013, the Division sent  
13 another e-mail to Virtua notifying that the MCR was past due. The email set a new deadline of  
14 September 15, 2013 and warned that if Virtua failed to file by the deadline, the company would  
15 be subject to civil penalties.

16 9. On August 15, 2013, the Division sent Virtua a letter to the address of record in NMLS,  
17 its principal place of business, notifying that if the 2013 Q2 MCR was not filed by June 15,  
18 2013, the matter would be referred for enforcement action.

19 10. Also on August 15, 2013, the Division placed a deficiency on the company’s license  
20 notifying of the obligation to file the report by the September 15, 2013 deadline, or the matter  
21 would be referred for enforcement action.

22 11. On August 23, 2013, Virtua filed the 2013 Q2 MCR, but did not file an Oregon RMLA.

23 12. Virtua successfully filed the Oregon RMLA for the 2013 Q2 MCR on October 4, 2013.

## 24 CONCLUSIONS OF LAW

25 The Director **CONCLUDES** that:

26 1. By failing to file the 2013 Q2 MCR including RMLA for Oregon in NMLS by August

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1 15, 2013, Virtua violated ORS 86A.239(2).

2 **ORDER**

3 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

4 The Director, pursuant to ORS 86A.127, hereby orders Virtua to Cease and Desist from  
5 violating the Oregon Mortgage Lender Law.

6 The Director, pursuant to ORS 86A.992, may assess civil penalties of up to \$5,000 per  
7 violation against individuals who violate the Oregon Mortgage Lender Law. Pursuant to these  
8 provisions, the Director orders Virtua to pay a civil penalty of \$1,000 for the violation of ORS  
9 86A.239(2). The signed, notarized consent order and \$1,000 civil penalty are due at the Division  
10 by the close of business on October 31, 2013. If any payments are not received pursuant to the  
11 above terms, the remaining balance shall become immediately due and payable.

12 The entry of this Order in no way limits further remedies which may be available to the  
13 Director under Oregon law, including for the violations noted in the Conclusions of Law section  
14 above.

15 Dated this 30<sup>th</sup> day of October, 2013.

16 PATRICK M. ALLEN, Director  
17 Department of Consumer and Business Services

18  
19 /s/ David Tatman  
20 David C. Tatman, Administrator  
21 Division of Finance and Corporate Securities

22 **ENTITY CONSENT TO ENTRY OF ORDER**

23 I, Duy R. Beck, state that I am an officer of Virtua, and I am authorized to act on its  
24 behalf. I have read the foregoing order and that I know and fully understand the contents  
25 hereof. I have been advised of the right to a hearing and of the right to be represented by  
26 counsel in this matter. Virtua voluntarily and without any force or duress consents to the entry

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of this order expressly waiving any right to a hearing in this matter. Virtua understands that the Director reserves the right to take further actions to enforce this order or to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law. Virtua will fully comply with the terms and conditions stated herein.

Virtua further assures the Director that neither Virtua, nor its officers, directors, employees, or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law. Virtua understands that this Consent Order is a public document.

Dated this 15 day of October, 2013.

By /s/ Duy Beck

President  
Office Held

**ENTITY ACKNOWLEDGMENT**

There appeared before me this 15 day of October 2013, Duy R. Beck, who was first duly sworn on oath, and stated that (s)he was and is an officer of Virtua and that (s)he is authorized and empowered to sign this Consent to Entry of Order on behalf of Virtua and to bind Virtua to the terms hereof.

/s/ Jamie Hudson

Notary Public for the State of: Utah  
My commission expires: 9/9/15